

ANNUAL GOVERNANCE STATEMENT 2021-22

CONTENTS

1. Introduction & Purpose of the Annual Governance Statement
 2. GMCA Legislative, Strategic and Policy Context
 3. Legislative Arrangements emerging from COVID-19 Pandemic
 4. Independent Review of the GMCA Scrutiny Function
 5. HMICFRS Position Update (GMP & GMFRS) + Manchester Arena Inquiry Update
 6. Scope of Responsibility
 7. Governance Review Activity 2021/2022
 8. Progress in Addressing the Challenges Identified in the 2020/2021 Annual Governance Statement
 9. Areas for Focus in 2022/2023
 10. Summary
- Appendix - CIPFA SOLACE – Good Governance Principles

INTRODUCTION

1.1 The Annual Governance Statement sets out how the Greater Manchester Combined Authority (GMCA) meets its governance standards detailed in the Code of Corporate Governance. It also describes how it meets the requirements of regulation 6(1) of the Accounts and Audit Regulations 2015 in relation to the publication of an Annual Governance Statement to accompany the Annual Accounts. It is a document which looks back retrospectively over the past year and identifies where the GMCA has demonstrated good governance and looks forward as to areas where focus should be given in relation to governance over the coming year. The GMCA's corporate governance framework is structured around the seven good governance principles set out in the 2016 CIPFA guidance (see fig.1):

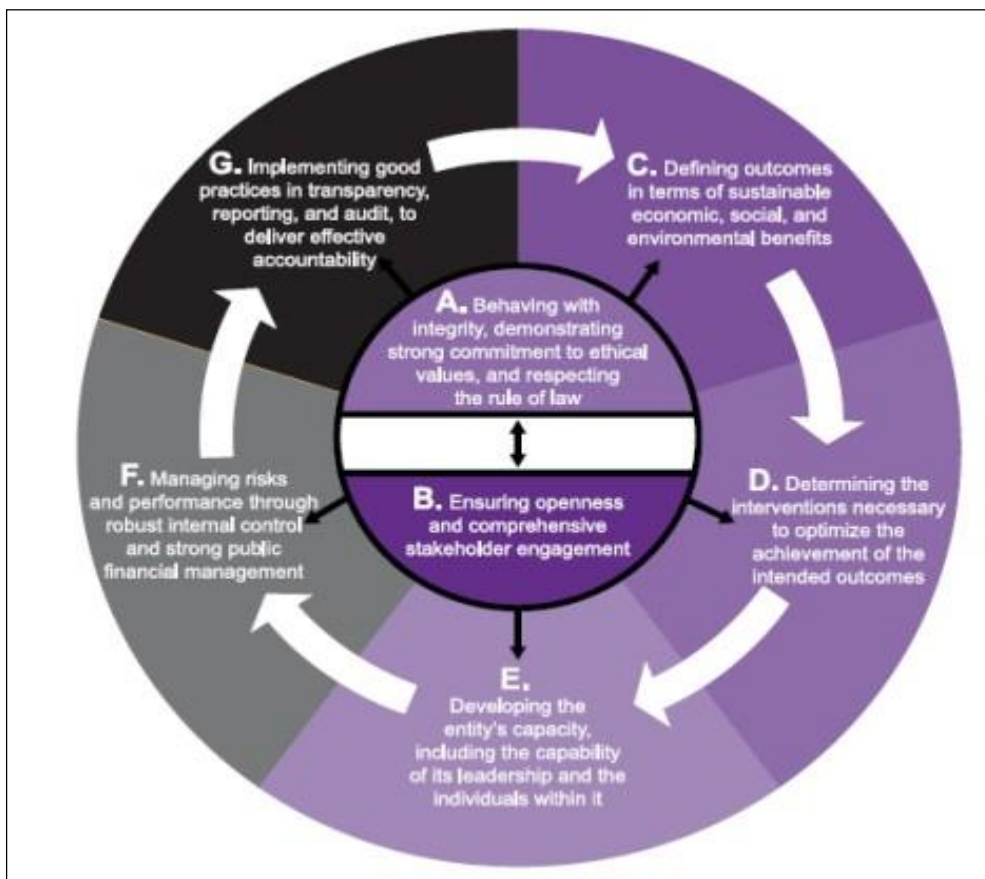


Fig.1 Seven Principles of Good Governance

LEGISLATIVE, STRATEGIC AND POLICY CONTEXT

2.1 The GMCA was established on 1 April 2011 by the Greater Manchester Combined Authority Order 2011 and comprised of ten members, being the Leaders of the constituent councils. The GM Mayor was re-elected on 10th May 2021 and will remain in office until May 2024. The Mayor is the chair and 11th member of the GMCA. The Mayor also appoints the Deputy Mayor for Policing and Crime who has substantial delegated authority covering policing and crime. All members have clear portfolio responsibilities. Listed below is the current leadership structure in Greater Manchester following the May 2022 elections (Previous Leaders where applicable shown in italics):

Member	Representing	Portfolio Responsibility
Mayor Andy Burnham	GM Mayor	Policy & Reform, Transport
Baroness Beverley Hughes	Deputy Mayor	Safe & Strong Communities (Police and Fire)
Cllr Martyn Cox	Bolton	Green City Region and Waste
Cllr Eamonn O'Brien	Bury	Education, Skills, Work, Apprenticeships and Digital
Cllr Bev Craig <i>(Leader 21/22 – Sir Richard Leese)</i>	Manchester	Economy, Business & International
Cllr Amanda Chadderton <i>(Leader 21/22 – Cllr Arooj Shah)</i>	Oldham	Equalities, Inclusion & Cohesion
Cllr Neil Emmott	Rochdale	Culture
Mayor Paul Dennett	Salford	Homelessness, Healthy Lives & Quality Care
Cllr Mark Hunter <i>(Leader 21/22 – Cllr Elise Wilson)</i>	Stockport	Young People

Cllr Gerald Cooney <i>(Leader 21/22 – Cllr Brenda Warrington)</i>	Tameside	Communities & Co-operatives
Cllr Andrew Western	Trafford	Clean Air, Regeneration & Housing
Cllr David Molyneux	Wigan	Resources & Investment

2.2 Each GMCA member appointed by a constituent council may appoint an elected member of another constituent council to act as an assistant portfolio holder whose duties will be to provide support and assistance to the GMCA member in the carrying out of that member's duties in respect of the portfolio responsibilities allocated by the Mayor. Portfolio Assistants also have the right to attend meetings of the GMCA and speak but they have no voting rights. This is set out in the constitution.

2.3 On public service issues the GMCA members and the Mayor each have one vote, and generally questions are decided by a majority vote. Questions on matters requiring a vote of more than a simple majority are set out in the 2011 Order. The Mayor is required to consult members of the GMCA on his strategies. The GMCA also examines the Mayor's (non-Police and Crime) spending plans and is able to amend those plans if two-thirds of members agree to do so.

2.4 The GM Local Enterprise Partnership (GM LEP) has acted as a private sector-led voluntary partnership, with a core function to provide strategic leadership and private sector insight (alongside the GMCA) to help deliver the city region's growth ambitions. In March 2022, the GM LEP received a letter from Minister Neil O'Brien MP (DLUHC) and Minister Paul Scully MP (BEIS) providing an update following the conclusion of a Review of LEPs and the way forward. The letter set out that LEPs will now be integrated into local democratic institutions following the policy announcement made in the Levelling Up White Paper as well as indicating the process by which this will be achieved. GM will submit an Integration Plan to Government by the end of

July 2022 setting out how Greater Manchester LEP will be integrated with GMCA.

2.5 The GMCA and the Constituent Councils are members of the Association of Greater Manchester Authorities (AGMA). They have entered into joint arrangements, including an Operating Agreement, and the establishment of a joint committee called the AGMA Executive Board, which oversees the work and strategic direction of AGMA, leads on policy, and has delegated decision-making powers from the 10 Greater Manchester councils. AGMA has the same membership at the GMCA.

2.6 A range of statutory and non-statutory member-led committees and boards sit below the GMCA and LEP, with responsibility for overseeing work in relation to the various portfolios. The Scrutiny Function has 20 members (with 20 additional members in a substitute pool) and responsibility for reviewing and evaluating the performance of the Mayor and GMCA, and the way they work with their partners to deliver for local people, contributing to policy development in respect of high profile, complex issues affecting the whole of Greater Manchester, and investigating more complex cross-cutting issues, with a particular focus on the GMCA's forthcoming responsibilities in respect of the 'missions' in the Levelling Up and Regeneration Bill. For more information on the outcome of the recent independent Scrutiny Review please see Section 4.

2.7 The GMCA Audit Committee, as a statutory body, plays a key role in overseeing risk management, governance systems and financial management. The GM Transport Committee oversees the travel services provided by Transport for Greater Manchester (TfGM).

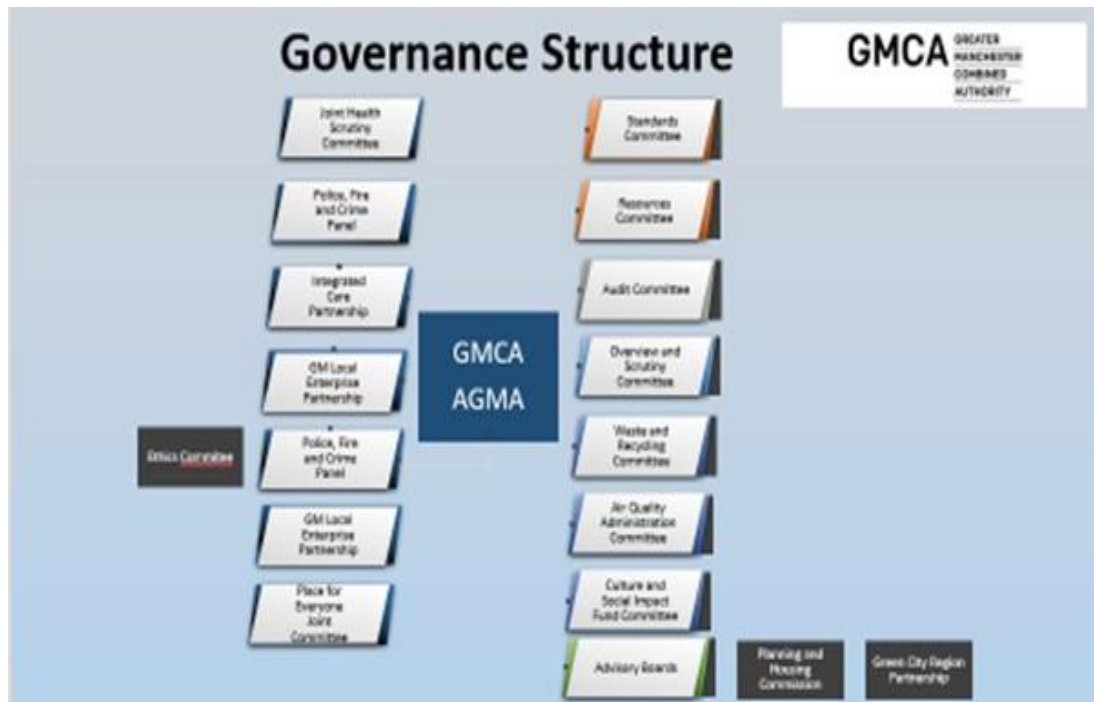


Fig.2 Governance Structure

TRANSITION FROM COVID-19 LEGISLATIVE ARRANGEMENTS

3.1 Within the UK, a disaster response system exists, underpinned by the Civil Contingencies Act 2004. The system helps to support the coherent and integrated emergency response and recovery between national and local levels. At a local level, the backbone of this system had been via partnership working through a Strategic Coordinating Group and its associated structures, together with a Recovery Coordinating Group and appropriate sub-groups. These, in turn, were recognised and supported by MHCLG and other Government Departments, assisting a two-way dialogue in the emergency that was additional to more normal day-to-day arrangements.

3.2 As of March 2022, the UK had moved to minimal restrictions. However, with infection rates still at high levels Health and Social Care remains an important consideration determining the levels of infection, hospitalisation, and death from COVID-19 that can be endured, and in particular the extent to which non-COVID care is negatively impacted as a consequence. Therefore, Greater Manchester has now developed a 'Living Safely and Fairly with

COVID-19 Plan' which was produced in consultation with the GM Contain Cell, the Strategic Coordination Group and the GM Emergency Committee.

3.3 In line with the development of the above plan and the national scaling down of testing and monitoring – it was agreed that the GM Emergency Committee, Strategic Coordination Group and any remaining sub-groups would be stood down, with the Contain Cell remaining in place on a monthly to monitor the regular assessment summaries. The Contain Cell will then advise on the re-establishment of the Strategic Coordination Group should the assessments indicate the appearance of significant variants of concern.

3.4 In-person meetings throughout 2021/22 have still complied with Covid safety requirements meaning work has been undertaken to ensure appropriate venues are used, enabling members to participate in meetings safely and for members of the public to attend if they so wish. GMCA meetings and committee meetings are still livestreamed live to enable access to members of the public and to assist with transparency.

INDEPENDENT REVIEW OF THE GMCA SCRUTINY FUNCTION

4.1 In October 2021, the GMCA became aware of concerns from councillors that the GMCA's overview and scrutiny committees were not conducting their work effectively due to inaccuracy and cancelled meetings. To respond to these concerns, the GMCA commissioned the Centre for Governance and Scrutiny (CfGS) to independently review the GMCA's scrutiny function.

4.2 The review focused on three core areas: culture, information, and impact. It was agreed that CfGS would: conduct desk-based research, interview key figures, survey overview and scrutiny committee members, and convene a task group consisting of an all-party group of overview and scrutiny committee members which would act as a sounding board for emerging findings. Clive Memmott OBE, Chief Executive of the Greater Manchester

Chamber of Commerce, was invited to act as the Independent Chair of the task group.

4.3 Between January 2022 and May 2022, CfGS and the Independent Chair conducted the work with the support of GMCA Governance and Scrutiny officers. There were 28 interviews, 16 responses to the member survey, and 4 meetings of the task group.

4.4 The report found that the GMCA's overview and scrutiny committees faced many of the same challenges as other Combined Authorities and there were opportunities to do things differently. The appetite to improve the function was shared by all those who contributed to the review.

4.5 It was agreed that the role of the committee should be recognised as threefold:

4.5.1 To review and evaluate the performance of the Mayor and GMCA, and the way they work with their partners to deliver for local people,

4.5.2 To contribute to policy development in respect of high profile, complex issues affecting the whole of Greater Manchester,

4.5.3 To investigate more complex cross-cutting issues, with a particular focus on the GMCA's forthcoming responsibilities in respect of the 'missions' in the Levelling Up and Regeneration Bill.

4.6 To achieve these aims, a series of recommendations were made, which included:

4.6.1 Reducing the number of committees from three to a single committee of 20 members, with an additional 20 members in a substitute pool.

4.6.2 Bringing matters to the overview and scrutiny committee well in advance of the decision being taken by the GMCA.

4.6.3 Encouraging members to make a commitment to serving a minimum two-year term (where possible) based on member role descriptions.

4.6.4 Remunerating members for their time and work.

4.6.5 Increasing the amount of task group working to conduct more in-depth scrutiny.

4.6 The report and its recommendations were approved by the GMCA at its meeting on 24 June 2022 and the GMCA's Constitution will be amended to reflect the changes that were agreed. The implementation of the report and its recommendations will be conducted according to the implementation plan contained within the report. The overview and scrutiny committee will take control of monitoring and evaluating its new structures and ways of working and will report back to the GMCA where necessary. The link to the full report can be found [here](#)¹

HMICFRS POSITION UPDATE (GMP & GMFRS)

5.1 GMP's latest updates to the GMCA's Police, Fire & Crime Panel had advised that in total 174 of HMICFRS's areas for improvement and recommendations had been progressed and closed, superseded or 'no further actioned' since December 2020. The Force had reduced its open recommendations from the start of HMICFRS engagement in December 2020 by almost three quarters, from over 120 to now just 32 recommendations. A Force wide HMICFRS revisit with regard to engagement and special measures provision of the standards of investigation across GMP had taken place during September 2022 – this visit would assess progress against improving investigation standards and delivering improved victim focus will and would evaluate progress against engagement concerns and GMP being placed into special measures. It was hoped that the outcomes from this would be another

¹ [4 Final GMCA scrutiny report 2022.pdf \(greatermanchester-ca.gov.uk\)](#)

significant step towards GMP being removed completely from special measures.

5.2 Following the HMICFRS inspection of GMFRS in April and May 2021 a Cause for Concern letter was received informing that GMFRS should have in place its own marauding terrorist attack (MTA) response that was both resilient, timely and cost effective. It stated that the service should ensure it was properly prepared as part of a multi-agency response to terrorist incidents. This included the provision of a timely response to ensure public safety. Response procedures that were understood by all staff and properly exercised and tested – and that this should not come at the cost of wider fire cover for the public.

5.3 On 1st November 2021, GMFRS provided HMICFRS with a comprehensive business case detailing how the service intended to improve the capacity and capability of its response to terrorist incidents, as well as how much it would cost. It detailed how all staff in the service would be trained, equipped and supported to carry out agreed MTA activity in accordance with the MTA joint operating principles. In April 2022, the service signed a collective agreement with the Fire Brigades Union, which had contractual effect by way of incorporation into the contracts of employment of firefighters, for the provision of a specialist MTA response capability. HMICFRS had been in regular contact since the issuing of the cause of concern and on 15th May 2022, HMICFRS revisited the service and provided their initial findings. On 29th July 2022, GMFRS were sent a final draft of a letter HMICFRS then subsequently publishing on 2nd September 2022, which detailed the complete removal of the Cause for Concern.

5.4 The GMCA's Police, Fire & Crime Panel (PFCP) continues to hold the Deputy Mayor, Chief Fire Officer and Chief Constable to account on both the improvements at GMP and GMFRS. It was agreed that as of 2022/23 the PFCP would scale up to a bi-monthly meeting (from a previous quarterly arrangement) to ensure that it had the scope to scrutinise all issues raised. The PFCP is also supported by a Steering Group.

Manchester Arena Inquiry

5.5 The Manchester Arena Inquiry began on 7 September 2020. Evidence hearings for matters relating to the emergency response to the attack ran from January 2021 to March 2022.

5.6 Volume Two which considers and makes findings in relation to the emergency response was published on 3 November 2022. The report also contains both recommendations and monitored recommendations for the future that the Chair will monitor for progress.

5.7 There are five monitored recommendations that relate to GMFRS, as follows:

1. R32 Greater Manchester Fire and Rescue Service and North West Fire Control should conduct a joint review of the circumstances in which it is appropriate for Greater Manchester Fire and Rescue Service personnel to check the North West Fire Control incident log. Policies should be written by both organisations to reflect the outcome of this review. Training should be delivered to embed it into practice.
2. R36 Greater Manchester Fire and Rescue Service should ensure that its commanders are adequately trained in the use of operational discretion.
3. R37 Greater Manchester Fire and Rescue Service should review the policy by which the Incident Commander takes up the role, in light of the shortcomings identified in the policy in operation on 22nd May 2017.
4. R38 Greater Manchester Fire and Rescue Service should review its guidance and policies on how it receives and passes on information during a Major Incident. It is important that, for any update given, it is established when the last time the person receiving the update was provided with information, to ensure that they are completely up to date.

5. R39 Greater Manchester Fire and Rescue Service should reflect on its approach to record-making during and immediately following a Major Incident, with a view to improving the current practice.

5.8 GMFRS must provide a written update to Inquiry Legal Team on Monitored Recommendations by 3 February 2023 (three months after publication of Vol. 2) as to progress made.

5.9 Witness Evidence from a corporate GMFRS witness is required to be served on the Inquiry by 1 May 2023 (six months after publication of Vol. 2). This evidence must set out what steps have been taken to address the monitored recommendations. The statement will be published on the Inquiry website.

5.10 Evidence Hearings – The Chairman proposes to convene further evidence hearings in the Summer 2023 and will notify GMFRS if its corporate witness is required to give evidence on progress

SCOPE OF RESPONSIBILITY

6.1 The GMCA's Code of Corporate Governance sets out how the GMCA operates, how decisions are made and the procedures that are followed to ensure that these are efficient, transparent and accountable to local people. The Code of Corporate Governance can be found in Part 7 (Section E) of the [GMCA Constitution](#).²

6.2 The Annual Governance Statement demonstrates how the GMCA is delivering its services in the right way in a timely, inclusive and accountable manner and will be certified by the GMCA Chief Executive and the Mayor, after consideration of the draft by the GMCA Audit Committee. GMCA's external auditor reviews the Annual Governance

² <https://www.greatermanchester-ca.gov.uk/who-we-are/accounts-transparency-and-governance/>

Statement as part of the assessment of their value for money responsibilities.

6.3 The GMCA's governance framework comprises the legislative requirements, principles, management systems and processes – including the GMCA's Constitution, Operating Agreement and Protocols – and cultures and values through which the Authority exercises its leadership, fulfils its functions, and by which it is held accountable for its decisions and activities.

6.4 The following sections of this document describe how the GMCA fulfils the requirements set out in the seven principles of good governance.

GOVERNANCE REVIEW ACTIVITY 2021/22

GMCA Audit Committee and GM Joint Audit Panel

7.1 The GMCA Audit Committee is responsible for overseeing the effective operation of the systems of governance including risk management, internal control, and treasury management. It is a legal requirement for the GMCA to have an Audit Committee as this also ensures a high standard of openness and transparency. The Committee met six times during 2021/22 and discussed a range of matters including the Risk Strategy & Register, the Treasury Management Strategy Statement & Activities and the Statement of Accounts for the GMCA and associate bodies – additionally, the Committee also received and considered the findings of both internal and external audit. Matters to be considered during 2022/23 will include a review and refresh of the GMCA's Counter Fraud Policies and a review of the Local Government Transparency Code to ensure that the GMCA complies with its requirements.

7.2 The GMCA Audit Committee oversees all aspects of the GMCA including Mayoral functions. In line with the Home Office Financial Management

Code of Practice. The Mayor has also established a Greater Manchester Joint Audit Panel which oversees the control environment of the Chief Constable and the GMCA (Police and Crime) functions, performing the functionality of an Audit Committee. The Panel assists the Mayor in discharging his statutory responsibilities to hold the Chief Constable to account and to help deliver an effective policing service. To minimise duplication and bureaucracy and to maximise value for money shared internal audit arrangements are in place to support the Mayor and the Chief Constable. The GMCA Audit Committee receives the minutes of the Audit Panel as part of its agenda and receives the annual report of the Chair of the Joint Audit Panel.

Head of Audit and Assurance Annual Opinion 2021/22

7.3 Based on the work undertaken by Internal Audit in respect of 2021/22 the opinion of the Head of Internal Audit is that moderate assurance is provided on the overall adequacy and effectiveness of GMCA's framework of governance, risk management and internal control. This opinion is based upon the findings of the audit work undertaken during the year. The opinion is reflective of the progress made during the year, particularly in relation to the evolving maturity of risk management arrangements in place within GMCA and in the development of the performance management framework, including the business plan and associated periodic reporting against milestones and metrics within it.

Annual Review of the System of Internal Audit 2020/21

7.4 An external quality assessment (EQA) of the Internal Audit Function was undertaken in 2021/22. The conclusion would be that overall, the service complies with PSIAS. A Quality Assurance and Improvement Programme (QAIP) has been implemented within the Internal Audit Team and an Internal Audit Effectiveness Plan developed as a result of the assessment, which will allow for monitoring the progress of the actions

agreed as part of the EQA and assist in the ongoing evaluation of the effectiveness of the team moving forwards.

GMCA Standards Committee

7.5 The GMCA has a Standards Committee to deal with matters of conduct and ethical standards regarding members of the Greater Manchester Combined Authority and its committees should they arise. It also provides a reviewing function for key policies in relation to the behaviour and actions of elected members whilst serving in their Greater Manchester capacities. The Committee has considered the LGA Model Code of Conduct during 2021-22. During 2022-23 it was expected that the Committee would undertake reviews of refreshed versions of the Code of Corporate Governance; the Officer Code of Conduct; Declarations of Interest and Gifts & Hospitality.

PROGRESS IN ADDRESSING THE CHALLENGES IDENTIFIED IN THE 2020/21 ANNUAL GOVERNANCE STATEMENT

Action Identified in 2020/21	Progress Made
<p>Following the agreement of the Greater Manchester Franchising Scheme for Buses 2021 – ensure that appropriately robust governance oversight is in place throughout the transition process</p>	<p>Following the decision of the Mayor to make the GM Bus Franchising Scheme in March 2021 there have been a number of reports to GMCA to enable the implementation of the scheme. Reports have been taken in May, June and September 2021 to delegate decision making on the procurement process, amend the Capital Programme, agree the purchase of land for a bus depot and agree required TUPE actions. Internally a Bus Franchising Board has been established. Board members include senior GMCA and TFGM legal, finance, procurement, IG and Bus Services officers. The Board meets regularly and reports in to the Bus Reform Board which is chaired by the Chief Executive GMCA/TfGM.</p>
<p>The establishment of new ways of working in the post-Covid environment. Resetting the way we work as an organisation to ensure that hybrid ways of working are</p>	<p>In order for GMCA staff to be able to work in a way that allows them to do their job effectively whilst supporting health and wellbeing needs – a Hybrid Working Policy</p>

<p>adaptable to the needs of all staff within the organisation</p>	<p>has been introduced that focussed on two key pillars:</p> <ul style="list-style-type: none"> • Hybrid working is a form of flexible working where working in the office is used in combination with remote working, mostly from home to deliver the business. • The location of work is primarily dictated by the needs of the business. <p>As an employer, the GMCA wants to become an organisation where staff are managed through their performance and contribution to organisational objectives rather than the time they are at their desk.</p> <p>The GMCA is moving away from traditional methods of management by trusting and empowering our staff to deliver its organisational objectives in the best way that suits the business and their individual needs.</p>
<p>Robust arrangements to put in place to monitor delivery, performance and risk to ensure the successful delivery of the Greater Manchester Strategy</p>	<p>The publication of the Greater Manchester Strategy 2021-2031 was supported by the concurrent publication of the GMS Performance Framework: <u>Our Progress Monitoring</u> (<u>aboutgreatermanchester.com</u>)</p>

	<p>The choice of indicators to sit within the Greater Manchester Strategy performance framework has been informed by a detailed series of underlying principles.</p> <p>The principles draw on learning from the approach to performance management under the 2017 Strategy and reflect the impact of the pandemic in highlighting inequalities across the city-region.</p>
<p>Implementation of the CIPFA Financial Management Code of Practice by:</p> <ul style="list-style-type: none"> • Undertaking full self-assessment against the code to identify areas for improvement. • Reviewing the constitution to ensure right governance in place. • Assess links to Capital Strategy and Prudential Code. • Implementing greater transparency of financial reporting to scrutiny committee. • Review of business processes and management accountability. • External comparisons to identify areas to review. • Determining the approach to longer term strategy to manage resources, reserves, and risk. 	<p>The Financial Management Code of Practice self-assessment was reviewed early in 2021/22 to prioritise areas for improvement during the year. The focus during 2021/22 has been on:</p> <ul style="list-style-type: none"> • Recruiting and embedding a new structure in the GMCA Finance Team to ensure a suitably resourced and fit for purpose finance functions • Implementation of a finance business partnering service for all parts of the organisation; • Updating the GMCA Constitution to provide greater consistency across the organisation and clarification of thresholds for approval in the Financial

<ul style="list-style-type: none"> • Reflecting the code in update to AGS. 	<p>Regulations and Contract Procedures;</p> <ul style="list-style-type: none"> • Improvement to the medium-term financial planning process, supported by zero-based budgeting, development of a consistent corporate overhead process and implementation of a grants management procedure. <p>Following the latest self-assessment the priorities for 2022/23 are:</p> <ul style="list-style-type: none"> • Implementation of further training and development tools to ensure finance processes and procedures are fully understood and to improve financial management expertise across the organisation; • Introduction of financial metrics to support the quarterly internal performance management reporting; • Development of the medium financial planning process to include scenario planning around changes in funding;
---	--

	<ul style="list-style-type: none"> • Further emphasis needs to be placed on the code of ethics to ensure that it is embedded across the organisation supported by training materials.
<p>Development of a protocol to improve the consistency and transparency of arrangements for Mayoral Advisors.</p>	<p>A report was taken to the GMCA Resources Committee in March 2022 confirming the protocol and that all Advisor appointees will be required to complete the GMCA Register of Interests and comply with GMCA policies and procedures. A further report providing detail on Advisor work, remuneration and accountability is due to be taken to the Resources Committee during 2022/23</p>

AREAS FOR FOCUS IN 2022/23

Good Governance Principle	Action	Lead(s)/GMCA Officer Lead
B: Ensuring Openness and Comprehensive Stakeholder Engagement	Ensure the smooth transition to governance of the Integrated Care Partnership Strategy from previous health devolution arrangements	Assistant Director of Governance & Scrutiny <i>Monitoring Officer</i>
B: Ensuring Openness and Comprehensive Stakeholder Engagement	Embed the new Overview and Scrutiny Committee arrangements in line with the recommendations highlighted within the Implementation Plan	Assistant Director of Governance & Scrutiny <i>Monitoring Officer</i>
B: Ensuring Openness and Comprehensive Stakeholder Engagement	Following agreement of GM's proposed Integration Plan – ensure that the integration of the Local Enterprise Partnership into the GMCA maintains an approach conducive to continued strong local partnership working with the GM business community	Assistant Director of Governance & Scrutiny <i>Monitoring Officer</i>
B: Ensuring Openness and Comprehensive Stakeholder Engagement	Ensure that the governance arrangements for the UK Shared Prosperity Fund (UK SPF) Board aligns with the Government's requirements around local stakeholder involvement.	Assistant Director of Governance & Scrutiny <i>Monitoring Officer</i>
G: Implementing Good Practices in Transparency, Reporting, and Audit, to Deliver Effective Accountability	Arrangements be made for the GMCA Standards Committee to review: <ul style="list-style-type: none"> • The Code of Corporate Governance • The Officer Code of Conduct • Declarations of Interest • Gifts and Hospitality 	GMCA Treasurer

G: Implementing Good Practices in Transparency, Reporting, and Audit, to Deliver Effective Accountability	Arrangements be made for the Audit Committee to review and refresh of the GMCA’s Counter Fraud Policies and a review of the Local Government Transparency Code to ensure that the GMCA complies with its requirements.	GMCA Treasurer
---	--	----------------

SUMMARY

9.1 The GMCA has demonstrated an ongoing commitment to best practice and good corporate governance within the principles of the framework, demonstrated by a pro-active adoption of this framework and delivery of improvements suggested in the Annual Governance Statement 2020/21.

9.2 As the organisation moves forward in 2022, the Greater Manchester Strategy will be key in leading on its strategic direction and values. The refreshed Strategy incorporates the objectives and actions from the Living with Covid plans and also the Mayoral Manifesto commitments – in particular relating to Transport. There is a strong focus on delivery with robust arrangements put in place to monitor delivery, performance and risk, underpinned by strong governance arrangements, which are designed to support this delivery. Additionally, the EU-exit, rising costs of living and other factors such as the Ukraine Crisis are affecting the trajectory and resilience of the GM economy. The Authority reports to the GMCA the monthly GM Economic Resilience Dashboard to understand how these factors are impacting. The Dashboard summarises the latest responses to insights, as the GMCA, Greater Manchester Local Enterprise Partnership and other partners across the public, private and voluntary, community and social enterprise sectors continue to drive the recovery, as well as its longer-term ambitions. The rising cost-of-living has emerged as a key issue for the GM economy and the Authority is working to provide greater intelligence to support the analysis of the impact.

9.3 The organisation continues to adapt to these challenges and working closely in line with its partners is key to this. Examples of which can be seen in the successful embedding of the Police, Fire & Crime Panel and the Government's recommendations for Local Enterprise Partnerships based around governance arrangements already in place within GM. This approach will continue in working with partners to ensure the successful realisation of the Integrated Care Partnership, the UK Shared Prosperity Fund and refreshed Overview & Scrutiny arrangements.

Signed by.....

Signed by.....

Andy Burnham, Mayor of Greater Manchester and Eamonn Boylan, Chief Executive on behalf of Members and Senior Officers of Greater Manchester Combined Authority.

Date.....

Glossary of terms

GMCA	Greater Manchester Combined Authority
GMS	Greater Manchester Strategy
GMP	Greater Manchester Police
LEP	Local Enterprise Partnership
GMFRA	GM Fire and Rescue Authority
GMFRS	GM Fire and Rescue Service
GMWDA	Greater Manchester Waste Disposal Authority
AGMA	Association of Greater Manchester Authorities
PfC	GMFRS Programme for Change
SIP	GMCA Service Review and Integration Programme
SMT	The Senior Management Team
ELT	Extended Leadership Team

Appendix – CIPFA SOLACE – Good Governance Principles

A. BEHAVING WITH INTEGRITY, DEMONSTRATING STRONG COMMITMENT TO ETHICAL VALUES, AND RESPECTING THE RULE OF LAW

The GMCA reviewed and updated its Constitution during 2022 and was agreed by the CA in June 2022, to ensure it remains relevant and appropriate. The Constitution incorporates an Operating Agreement between the GMCA and the ten Constituent Councils, which governs the exercise of concurrent functions.

The GMCA Standards Committee meets twice annually and deals with matters of conduct and ethical standards of GMCA Members.

A Code of Conduct for Officers and for Members form part of the GMCA Constitution. The Code of Conduct for Members is reviewed annually by the Standards Committee, most recently in November 2020 with a new review due during 2022/23. The GMCA Standards Committee has the ability to undertake a review should any member of the GMCA or its committees fail to adhere to the Code. Each member receives an annual reminder of their duties under the Code.

A Whistleblowing Policy and Procedure is in place, last reviewed and updated in November 2020, a revised draft was presented to Standards Committee in line with the review period in March 2020. Information on how to report concerns are easily located on both the external facing website and the staff intranet. An Anti-Fraud and Corruption Policy forms part of the Constitution.

The Complaints Procedure was updated in November 2020 to ensure that it remains fit for purpose going forward. Information on how to submit complaints, the process, and relevant FAQs are provided on the external website.

Declarations of Interest is a standard agenda item on all GMCA meetings, minutes of which are published on the external website, and members are asked to complete a register of their personal and pecuniary interests on an annual basis. These are uploaded to each councillor's individual portfolio via the GMCA's

governance portal and are also viewable on the website. A review of the declarations of interest is also due during 2022/23.

A Greater Manchester [Independent Ethics Committee](#) is in place to help build trust and public confidence in policing. The Committee advises the Deputy Mayor for Policing and Crime, and Greater Manchester Police on the complex dilemmas that policing faces in the modern world. The committee has been given a wide remit, with GMP pledging to give access to the service's systems and people. When established, it was the first of its type in the country. The committee decides which issues it wants to consider, as well as having issues referred in by both GMP and the Deputy Mayor. Members of the public can raise issues with the committee - but it does not consider individual complaints about police. The committee considers both broad thematic issues - such as discrimination, safe drug use, and surveillance - and practical day-to-day issues, such as the use of body-worn cameras by police officers.

'Role of the Monitoring Officer' is a statutory role under section 5 of the Local Government and Housing Act 1989. The Monitoring Officer is to report on matters they believe are, or are likely to be, illegal or amount to maladministration; to be responsible for matters relating to the conduct of members; and to be responsible for the operation of the Constitution.

B. ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

Meetings of the GMCA and its committees are live-streamed and retained for later viewing by all members of the public via the GMCA's YouTube channel/Public-I portal. GMCA Committee agendas, reports, and minutes are published on the GMCA website. Inspection Copies of papers for each meeting are kept in reception at the GMCA's offices at Churchgate House.

The GMCA website includes publication of all Key Decisions, Officer and Mayoral Decisions, and Forthcoming Decisions. Reports for GMCA Committees are released into the public domain unless specifically excluded for items that are private and confidential; such reports must be marked Part B, and justification for keeping a decision confidential must be provided.

The GMCA is committed to ensuring that public meetings are DDA compliant, and all venues have now been confirmed as compliant – this includes the use of hearing loops and the ability to produce agenda papers in alternative formats if requested.

The GMCA runs a Consultation Hub website to ensure that local residents are able to actively engage with decisions and projects. Recent consultations included topics such as the Disabled People's Panel 2022 Survey, the Greater Manchester Green Space Fund, and the GM Tech Fund among others.

The GMCA is founded on a long-term relationship between local authorities through the previous arrangements under the Association of Greater Manchester Authorities.

The GMHSCP Board was replaced by the GM Integrated Care Partnership (ICP) on 1 July 2022. This is one of two statutory components of an Integrated Care System, alongside the Integrated Care Board.

The ICP will have three key features:

1. The forum that brings the ICB and Local Authorities together and connects them to partners from other sectors
2. Responsible for producing the GM wide health and care strategy and
3. The forum in which partners can hold each other to account for meeting the strategy and improving outcomes.

By law, the ICB and each of the Local Authorities in the area of the Integrated Care System must be represented. The minimum core membership of the GM ICP will consist of the ICB Chair and elected members of 10 Local authorities. New governance arrangements for the implementation of the Health and Care Bill commenced on 1 July 2022 and a statutory integrated care system for GM is in development.

In addition, the GMCA continues to maintain formal and informal partnerships through committees such as the Transport Committee; Planning and Housing Commission; Police, Fire and Crime Panel; GM Culture and Social Impact Fund Committee; GM Green City Region Partnership; and the GM Local Enterprise Partnership Board.

The GMCA has been tasked as the lead authority for supervising the UK Shared Prosperity Fund (UK SPF) in the GM region – the UK SPF being the domestic replacement for the European Structural and Investment Fund (ESIF). The GMCA is required to develop an investment plan and explicitly must do so with as wide a range of local stakeholders as possible. Governance arrangements are in place for a UK Shared Prosperity Fund Board – which includes a diverse membership that has evolved from the previous ESIF arrangements. This Board will agree the investment plan before taking on the key role of monitoring how the fund aligns with the aims of the Greater Manchester Strategy.

The GM VCSE Accord ensures that there is a shared commitment and close partnership working with Greater Manchester's 16,000 VCSE organisations.

Community engagement events regularly take place (including the GM Youth Combined Authority; the Mayor's Disabled Peoples Panel; LGBTQ+ Panel; and the Faith, Race & Women's Panel). Regular feedback mechanisms are offered through the proactive use of social media platforms and the supporting of surveys such as the 'GM Big Disability Survey' – which provided important insight into the issues faced by disabled people across GM during the Covid-19 pandemic.

Areas for Focus in 2022/23:

- Ensure the smooth transition to governance of the Integrated Care Partnership Strategy from previous health devolution arrangements
- Embed the new Overview and Scrutiny Committee arrangements in line with the recommendations highlighted within the Implementation Plan
- Following agreement of GM's proposed Integration Plan – ensure that the integration of the Local Enterprise Partnership into the GMCA maintains an approach conducive to continued strong local partnership working with the GM business community
- Ensure that the governance arrangements for the UK Shared Prosperity Fund (UK SPF) Board aligns with the Government's requirements around local stakeholder involvement.

C. DEFINING OUTCOMES IN TERMS OF SUSTAINABLE ECONOMIC, SOCIAL AND ENVIRONMENTAL BENEFITS

The coronavirus pandemic has highlighted more than ever the importance of securing Greater Manchester's long-term ambition to create a green and prosperous city-region. The Clean Air Plan, Spatial Framework and Minimum Licensing Standards plans form part of this vision, looking to offer a better quality of life for everyone living and working in the city-region.

The GM Strategy and Implementation Plan have been agreed as the overarching Strategy for all GM work. Performance against the Strategy's priorities and performance is reported to Scrutiny on a 6-monthly basis. The GM Strategy and information graphics used in the GM performance report describe the anticipated impacts of the delivery of the GM Strategy.

The GMCA Business Plan further defines GMCA's vision, objectives and outcomes in relation to economic, social and environmental developments within GM. The GMCA Business Plan and subsequent publications have been developed with stakeholders to ensure the organisational priorities and objectives are in line with shared ambitions.

The Greater Manchester Strategy refresh was finalised and agreed in September 2021. The refreshed Strategy incorporates the objectives and actions from the Living with Covid plans and also the Mayoral Manifesto commitments – in particular relating to Transport. There is a strong focus on delivery with robust arrangements put in place to monitor delivery, performance and risk, underpinned by strong governance arrangements, which are designed to support this delivery. There will be a continued focus on ensuring the effective delivery of the GMS priorities through strong governance arrangements, which are designed to support this delivery.

Despite its significant detrimental impact, the pandemic has highlighted the importance of securing Greater Manchester's long-term ambition to create a green and prosperous city region. Brought together, the developing Greater Manchester

Spatial Framework, Clean Air Plan and Minimum Licensing Standards provide a holistic view of the city region's economic, social and environmental ambitions, looking to offer a better quality of life for everyone living and working in the city-region. Greater Manchester's Five-Year Environment Plan sets out a further suite of actions that will support the conurbation's goal of carbon neutrality by 2038.

Capital programmes for both transport and economic development schemes are assessed using a fully rounded appraisal mechanism which includes deliverability alongside social, economic and environmental considerations.

The GMCA Social Value Policy is actively applied in commissioning and procurement activities. This Policy has been updated to reflect the revised objectives in the Greater Manchester Strategy Our People, Our Place and will support commissioners to set out their procurement and contract management requirements to maximise relevant social value, and providers to develop and submit proposals.

The COVID-19 pandemic, EU-exit, rising costs of living and other factors such as the Ukraine Crisis are affecting the trajectory and resilience of the GM economy - therefore the Authority also reports to the GMCA with the monthly 'GM Economic Resilience Dashboard' to understand how these factors are impacting. The Dashboard summarises the latest responses to insights, as the GMCA, Greater Manchester Local Enterprise Partnership and other partners across the public, private and voluntary, community and social enterprise sectors continue to drive the recovery from Covid-19, as well as the longer-term ambitions set out in the Greater Manchester Local Industrial Strategy and Greater Manchester Economic Vision. The rising cost-of-living has emerged as a key issue for the GM economy and the Authority is working to provide greater intelligence to support the analysis of the impact.

D. DETERMINING THE INTERVENTIONS NECESSARY TO OPTIMISE THE ACHIEVEMENT OF THE INTENDED OUTCOMES

The strategic, crosscutting nature of much of the GMCA's work means that delivery is often achieved through collaboration with GM partners including GMP, TfGM, the GM Integrated Care Partnership and GM Councils.

A strong evidence base is developed to underpin all decisions of the GMCA, including a robust evaluation of service delivery. One example of this is the devolved Working Well: Work and Health Programme, which helped approximately one in five of its clients into a job and the principles of which are now being used in nationally commissioned programmes.

Internal and external stakeholders are engaged through consultation on key strategies and plans – for instance the GM Strategy, Culture Strategy, and the GM Spatial Framework – to help determine how services and other courses of action are planned and delivered. The Our Pass concessionary scheme for young people which successfully launched in September 2019 was developed with the GM Youth Combined Authority; the GM Good Employment Charter which launched in January 2020 was co-designed with employers, trade unions, professional bodies and academics; and every stage of the development of Destination: Bee Network involves a series of public events, surveys and engagement workshops to ensure that the Network will provide the best standard of customer experience.

To ensure robust planning that covers strategy, plans, priorities and targets, the GMCA operates a Budget Timetable including peer scrutiny from Leaders and Treasurers on each of the GMCA budgets.

Following on from the publication of the Greater Manchester Independent Inequalities Commission Report – all reports submitted to GMCA meetings must now include an equalities impact assessment.

The GMCA seeks to achieve 'social value' through service planning and commissioning. A Procurement Strategy is part of the GMCA Constitution, and this is supported by a GMCA Social Value in Procurement Policy. The GM Procurement Hub offers a centralised procurement service that can support joint commissioning across GM organisations.

An updated social value policy has been developed, with closer links to the Greater Manchester Strategy. The new policy will ensure social value plays a key role in the city region's public procurement and wider priorities, sitting at the heart of work to tackle inequalities and build a better, fairer and greener economy in Greater Manchester. The updated framework will guide delivery of social value within public sector contracts across the GMCA, individual local authorities and NHS organisations. It will support commissioners to set out their procurement and contract management requirements to maximise relevant social value, and providers to develop and submit proposals.

E. DEVELOPING THE ENTITY'S CAPACITY, INCLUDING THE CAPABILITY OF ITS LEADERSHIP AND THE INDIVIDUALS WITHIN IT

Each Member has a clear role profile in relation to their portfolio. The assigned portfolios are published through the GMCA website, so members of the public are aware of which member of the GMCA has strategic responsibility for which area. Leaders meet regularly with senior officers in relation to their portfolio.

Member Induction Sessions are held at the beginning of each year, and Member capabilities and skills are supported through the Member development programmes. Informal briefings are provided to Members in advance of all Audit Committee and the Overview and Scrutiny Committee.

The Chief Executive Officer's role has been widened to include oversight of Transport for Greater Manchester. Part 3 of the GMCA Constitution sets out a Scheme of Functions Delegated to Chief Officers and those exercisable only by the GMCA to ensure clarity over the types of decisions that are delegated and those that are reserved for collective decision making of the Board.

Strategic management oversight and direction is provided through the Chief Executives Management Team, which is also the Incident management Group for emergencies, the Senior Leadership Team. The wider Leadership Team, Senior Leadership Team and Extended Leadership Teams meet regularly to discuss and share knowledge.

An increased focus on leading the delivery of system change through the Greater Manchester Strategy with improved co-ordination the GMCA and with Place has required:

- A wider range of Directors coming together to pull the 'professional specialisms' from across the CA together to lead/drive the organisation as a whole to meet agreed priorities. No one team can deliver system change
- A generic 'Director' role with a specialist portfolio – to show role is about working cross the organisation with 'blocks of activity' grouped under

Directors. By definition these 'Directorates' will rely on each other to deliver 'whole system change'.

- Corporate/Enabling Services are integral part of driving forward overall outcomes of the CA and the work of individual Directorates

These renewed directorates have been based on what the CA is trying to achieve:

- We want everyone to be Life Ready with the skills needed throughout live to succeed (Edn/Skills block)
- We want people to have good jobs in a prosperous economy (Economy block)
- We want people to live in vibrant and safe places (Place Making and Police/Fire/Criminal Justice blocks)
- We want GM to be a Low Carbon city region at the forefront of the 4th Industrial Revolution (Green and Digital blocks)
- We want joined-up public services that support individuals' holistically, focussing on prevention and the promotion of the best life chances (Public Service Reform block)

A comprehensive GMCA Business Plan is in place and can be found on the GMCA's [website](#)³. The Business Plan provides insight into the city region and the related devolution arrangements; how the GMCA works in terms of its staff, partnerships, business and governance; its business model, resources and funding arrangements; achievements and most importantly the key priorities looking forward. All the priorities are drawn from the GMS and monitoring performance against the GMS is delivered through the Implementation Plan whose performance dashboard is reported through the Scrutiny Committee, and to the GMCA, on a six-monthly basis.

The GMCA has developed a GM Good Employment Charter which has continued to expand its membership and support throughout 2021/22. The GMCA itself has achieved Member status through its own excellent employment practices.

³ [corporate-plan-final.pdf \(greatermanchester-ca.gov.uk\)https://www.greatermanchester-ca.gov.uk/media/2242/gmca_business_plan_2019_full_public.pdf](https://www.greatermanchester-ca.gov.uk/media/2242/gmca_business_plan_2019_full_public.pdf)

The integrated staff Personal Development Plans first developed through 2017/18 as part of enhanced HR and organisational development service for overall GMCA continue to take place. Further initiatives include:

- The launching of a health and wellbeing area on the intranet that includes a comprehensive suite of online support, virtual learning and opportunities to have face to face support
- An expanded portfolio of e-learning modules for staff and manager including equality and diversity awareness
- The launch of Mi Learning with a suite of new and improved managerial support tools to help people managers improve their knowledge and skills
- Leadership Development Programme procured and being rolled out across GMFRS
- Specialist recruitment strategies - Firefighter and Senior Recruitment - utilising Digital Technology

In order for GMCA staff to be able to work in a way that allows them to do their job effectively whilst supporting health and wellbeing needs – a Hybrid Working Policy has been introduced that focussed on two key pillars:

- Hybrid working is a form of flexible working where working in the office is used in combination with remote working, mostly from home to deliver the business.
- The location of work is primarily dictated by the needs of the business.

As an employer, the GMCA wants to become an organisation where staff are managed through their performance and contribution to organisational objectives rather than the time they are at their desk.

The GMCA is moving away from traditional methods of management by trusting and empowering our staff to deliver its organisational objectives in the best way that suits the business and their individual needs.

F. MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT

The GMCA Corporate Risk Register (CRR) was reviewed and updated on a quarterly basis throughout during 2021/22. The CRR identifies risk ownership for specific risks and is owned by the Governance and Risk Group. The GMCA Audit Committee receives quarterly updates on the CRR. Given the Covid-19 pandemic, a Covid-19 risk register had been developed and monitored separately, this was now incorporated into the CRR.

The Audit Committee is responsible for overseeing the effective operation of the systems of governance, risk and Internal control arrangements. New Internal Audit arrangements were implemented in 2019/20 with the appointment of a new in-house Head of Audit and Assurance and the establishment of an in-house GMCA Internal Audit team. The Internal Audit Plan is approved by Audit Committee, and Internal Audit provide quarterly progress reports to Audit Committee. The Head of Audit and Assurance produces an Annual Assurance opinion.

There is an established scrutiny / call-in process whereby any Member of Constituent Councils can refer items for possible scrutiny. Areas for the scrutiny committee to are also proposed by the Chair and other members of the committee who are the owners of the committee's work programme.

GMCA's Revenue and Capital Budget and Monitoring Reports; Mayoral General Revenue and Capital Budget and Monitoring Reports; Mayoral Police and Crime Revenue and Capital Budget and Monitoring Reports; Treasury Management Strategy and Treasury Management Outturn Reports are all subject to appropriate reviewing, scrutiny and challenge where appropriate through the Corporate Issues & Reform Scrutiny Committee and via the Audit Committee.

G. IMPLEMENTING GOOD PRACTICES IN TRANSPARENCY, REPORTING, AND AUDIT, TO DELIVER EFFECTIVE ACCOUNTABILITY

Transparency of decision-making is achieved through live streaming key meetings, a centralised FOI process, and through the GMCA Communications Strategy.

In terms of reporting: the annual accounts with narrative introduction; GMCA Annual Performance Report; Police and Crime Annual Report; Head of IA Annual Assurance Opinion; Annual Governance Statement; and Statement of Accounts are considered by the GMCA Audit Committee and the GMCA and contained within publicly viewable agendas.

New External Auditors (Mazars) were appointed from 1 April 2018, and they have produced an external audit findings report. The Audit Committee has oversight on the final accounts process. Actions taken to implement External Audit Recommendations will be reported as part of a combined audit recommendations tracker for 2022/23 as part of a revised audit action tracking process.

The Annual Internal Audit Opinion sets out compliance with the Public Sector Internal Audit Standards (PSIAS) and for 2021/22 confirmed that work had been undertaken in line with PSIAS. As the Internal Audit service was brought in-house in 2019/20, it was agreed with Audit Committee that the service would be subject to an external quality assessment within the next two years.

Areas for Focus in 2022/23:

- Arrangements be made for the GMCA Standards Committee to review:
 - The Code of Corporate Governance
 - The Officer Code of Conduct
 - Declarations of Interest
 - Gifts and Hospitality
- Arrangements be made for the Audit Committee to review and refresh of the GMCA's Counter Fraud Policies and a review of the Local Government Transparency Code to ensure that the GMCA complies with its requirements.